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ABSTRACT

This document is one of ten curriculum guides developed by the Nevada Competency-Based Adult High School Diploma (CBAHSD) Project. This curriculum guide on consumer education is divided into six topics. The topics included are Personal Finance, Insurance, Employment, Home, Taxes, and Consumerism. Competency statements and performance indicators are provided for each topic area. The performance indicators are designed to be used as pre- and post-tests. Answer keys are also provided. This set of curriculum guides is accompanied by both a teacher's guide and a student handbook (see note). (BM)

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CONSUMER EDUCATION

NEVADA COMPETENCY BASED
ADULT HIGH SCHOOL DIPLOMA PROJECT

U S DEPARTMENT OF HEALTH, EDUCATION & WELFARE
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CE 024 142

INTRODUCTION

This course is intended to introduce students to the practical aspects of being a consumer. Many of the assignments ask the student to actively visit or interview people involved in the field.

The course has been constructed to equal one/half credit of course work. Suggested pre-test items are indicated for each competency; however, the pre-test item can be selected from the other indicators at the discretion of the instructor. It is recommended that the instructor choose any two other items for the post-test.

There is a wealth of free source material available from businesses, banks, credit agencies, and consumer groups. The people in the community involved in these fields are also an excellent source of information. This material is necessary to the course and should be obtained locally where possible. There are also good texts available to the instructor in consumer law and consumer education.

The instructor will have to use his own judgement based on the competencies and guidelines to decide whether the competency has been met. In many cases the students are asked to work in small groups or in pairs. The teacher should observe their work and grade the assignment according to the information required in the guidelines. All students in a group must actively participate to receive credit.

CONSUMER EDUCATION

TOPICS

Personal Finance

Insurance

Employment

Home

Taxes

Consumerism

CONSUMER EDUCATION

Personal Finance

The student will be able to explain the purpose and use of each of the following bank services: 1) checking accounts 2) savings accounts 3) safe deposit box 4) trust accounts.

CE - 1

Pre-test: #1 and #2

Post-test: #3 and #4

PERFORMANCE INDICATORS:

1. Either orally or in writing, explain the purpose and use of each of the following bank services: 1) checking accounts 2) savings accounts 3) safe deposit boxes 4) trust accounts.

2. Pretend that you are a bank service representative. Explain to a prospective customer each of the bank's services listed in the competency statement above.

3. Complete the following chart to explain the purpose and use of each of the bank services listed.

	PURPOSE OF THE SERVICE	HOW WOULD YOU USE THE SERVICE?
Checking Account		
Savings Account		
Safe Deposit Box		
Trust Account		

4. Visit your local bank to learn about the services offered. Explain what you have learned orally or in writing to your instructor. Include each of the services listed in the competency statement.

CONSUMER EDUCATION

Personal Finance

The student will be able to describe each of the following as it effects personal credit: 1) Fair Credit Reporting Act of 1971 2) Equal Credit Opportunity Act of 1974-1977 3) credit bureau 4) Consumer Credit Protection Act of 1967 (Truth-in-Lending Law).

CE - 2

Pre-test: #1 and #4
Post-test: #2 and #4

PERFORMANCE INDICATORS:

1. Answer the following questions either orally or in writing.

   1) What are the provisions of the Fair Credit Reporting Act of 1971?

   2) What are the provisions of the Equal Credit Opportunity Act of 1974-1977?

   3) What does the credit bureau do?

   4) What protections does the Consumer Credit Protection Act of 1967 (Truth-in-Lending Law) give consumers?

2. Either orally or in writing, describe each of the following as it effects your personal credit: 1) Fair Credit Reporting Act of 1971 2) Equal Credit Opportunity Act of 1974-1977 3) credit bureau 4) Consumer Credit Protection Act of 1967 (Truth-in-Lending Law).

3. Pretend you are a representative of the Better Business Bureau. Explain the credit rights and practices listed in the competency statement to a customer that has been turned down for credit at a large department store.

4. Visit the credit bureau in your city and learn how it works. Ask one of the credit reporters to explain each of the following: 1) Fair Credit Reporting Act of 1971 2) Equal Opportunity Act of 1974-1977 3) Consumer Credit Protection Act of 1967 (Truth-in-Lending Law). Report the information to your instructor orally or in writing.

CONSUMER EDUCATION

Personal Finance

CE - 3

Pre-test: #1 or #2
Post-test: #3 and #4

The student will be able to interpret and evaluate the terms of 1) a security agreement and disclosure statement 2) credit card statement 3) installment loan statement.*

PERFORMANCE INDICATORS:

1. Locate each of the items listed below on the statements attached. Place the correct figure in each blank, and explain why it is important to you, the consumer.

   A. Security Agreement and Disclosure Statement

   _____ 1. date payment is due

   _____ 2. amount financed

   _____ 3. finance charge

   _____ 4. annual percentage rate

   _____ 5. monthly installment

   _____ 6. number of monthly installments

   _____ 7. total of payments

   B. Credit Card Statement

   _____ 1. APR for average daily balance of under $400.00

   _____ 2. total amount due

   _____ 3. due date

   _____ 4. minimum amount due

   _____ 5. finance charge

   _____ 6. periodic rate per month for average daily balance of over $400.00

C. Installment Loan Statement

_____ 1. monthly payment

_____ 2. number of installments due

_____ 3. amount financed

_____ 4. total of payments

_____ 5. annual percentage rate

2. Orally identify each of the terms listed in #1 on the statements. Tell your instructor what the term means and why it is important for consumers to understand the terms of each statement.

3. Go to the bank or finance company and talk with an employee there about 1) security agreement and disclosure statements 2) installment loan statements and 3) credit card statements. Report back to your class on what you learned. Include an example of how to interpret each statement.

4. Put yourself in the position of purchasing a major item. Examine each of the statements in #1 and explain what each of the items means and why it is important for you to understand the terms of each statement. This may be done orally or in writing.

* See end of CE answer section.

CONSUMER EDUCATION

Insurance

CE - 4

Pre-test: #1

Post-test: #2 or #3

The student will be able to describe the component, purpose, advantages and disadvantages of various types of insurance policies: auto, home, life, health, disability, mortgage.

PERFORMANCE INDICATORS:

1. Describe orally or in writing the component, purpose, advantages, and disadvantages of the types of insurance listed below.

   1) auto insurance
   2) home insurance
   3) life insurance
   4) health insurance
   5) disability insurance
   6) mortgage insurance

2. Go to visit various insurance companies and interview a salesman. Find out what that company has to offer in each of the various types of insurance policies. Either orally or in writing, report to your instructor on what you learned, including the component, purpose, advantages and disadvantages of the various types of insurance policies listed in the competency statement above.

3. Pretend you are an insurance salesperson. Explain each of the types of policies to another classmate as if they were a customer. You will have to explain the component, purpose, advantages and disadvantages of each policy. Your instructor will observe the demonstration.

4. Hold a panel discussion in class with each student presenting the pros and cons, purpose and component of the various types of insurance policies listed in the competency statement.

CONSUMER EDUCATION

Insurance

The student will be able to select a personal insurance program, based on personal income, size of family, age of insured, and benefits.

CE - 5

Pre-test: #1

Post-test: #4

PERFORMANCE INDICATORS:

1. Using policy examples and literature available, select a personal insurance program for a hypothetical person or yourself, based on personal income, size of family, age of insured and benefits.

2. Work in small groups in the classroom. Each group will act as a family and together will select a personal insurance program, based on personal income, size of family, age of insured, and benefits.

3. Invite an insurance salesman to class to speak on selecting a personal insurance program. Use the information he gives to select a personal insurance program for either a hypothetical person or yourself, based on personal income, size of family, age of insured and benefits.

4. Select a personal insurance program for the following family.

   Mr. and Mrs. James Owens have two children, a girl five years old and a boy three years old. Mr. Owens is a carpenter and earns $18,000. per year. He is in good health with no previous serious illnesses. His wife is not employed and does not have any advanced college degrees or technical training. She has not worked since high school. They are buying a home, and have a mortgage owing of $40,000. They have two cars, a 1975 Chevrolet truck and a 1972 Volkswagon bus. Mr. Owens is 29 years old and his wife is 27 years old.

CONSUMER EDUCATION

Employment

CE - 6

Pre-test: #1

Post-test: #2, #3 or #4

The student will be able to explain the purpose and use of each of the following payroll deductions: 1) FICA (social security tax) 2) withholding tax 3) union dues 4) payroll savings plan.

PERFORMANCE INDICATORS:

1. Explain orally or in writing the purpose for each of the following payroll deductions and tell how each is used.

   1) FICA (social security tax)

   2) withholding tax

   3) union dues

   4) payroll savings plan

2. Complete the following chart.

	WHAT IS THE PURPOSE OF THE DEDUCTION	HOW IS THE MONEY DEDUCTED USED
FICA		
Withholding tax		
Union dues		
Payroll savings plan		

3. Use the sample payroll check below to explain orally the purpose and use of each of the deductions listed.

EMPLOYEE'S STATEMENT

	TIME WORKED			DEDUCTIONS				
Pay Period Ending	Regular	Overtime	Gross Earnings	Withold. Tax	F.I.C.A.	Union Dues	Payroll Savings	Net Pay

4. Pretend you are an employer explaining a new employee's paycheck to him. Tell him why each item is deducted and how the money is used. Include all four of the items listed in the competency statement.

CONSUMER EDUCATION

Employment

CE - 7

Pre-test: #1

Post-test: #2 or #4

The student will be able to evaluate various employment benefits, including: health insurance, life insurance, disability insurance, retirement, pensions, education plans, sick leave.

PERFORMANCE INDICATORS:

1. Either orally or in writing, explain what types of benefits are provided under each of the plans listed below. Also explain why each is or is not important to you in considering a job offer.

   1) health insurance
   2) life insurance
   3) disability insurance
   4) retirement plan
   5) pensions
   6) education benefits
   7) sick leave

2. Pretend that you are looking for a new job. Separate the list of benefits in the competency statement into three categories and explain orally why you divided them the way you did.

CATEGORY I Very Important To Me	CATEGORY II Fairly Important To Me	CATEGORY III Not Important To Me

3. Interview five people who work in different jobs and fields. Fill out the following form for each interview. When you are finished, write a short conclusion of your study of employment benefits.

_____ Job title _____

Benefits included are: _____

_____

How does the person feel about the benefits received?

_____

Which benefits are most important to him/her? _____

_____

Are there benefits he/she would like to see included?

If yes, what are they? _____

_____

4. Many members of your trade union are asking for higher wages rather than increased benefits. You are in favor of increased benefits. Explain your reasons to a group of class members or your instructor. Support your reasons with examples and figures where possible.

CONSUMER EDUCATION

Home

CE - 8

Pre-test: #1

Post-test: #4

The student will be able to describe 1) how to establish needs and goals before the purchase of a home, 2) how to obtain a mortgage, and 3) the steps taken in the purchase of the home.

PERFORMANCE INDICATORS:

1. Either orally or in writing describe 1) how to establish needs and goals before the purchase of a home, 2) how to obtain a mortgage, and 3) the steps taken to purchase a home.

2. Invite a local realtor, title officer or mortgage loan officer to speak to your class on purchasing a home. Write a summary of his talk including establishing needs and goals, mortgages, and steps necessary in the purchase of a home. This may be done individually by one student going to visit a realtor, etc. and reporting back on his findings.

3. Work in pairs, acting as a family, and describe how you will go about purchasing a home. Describe how to establish your goals in a home purchase, how to obtain a mortgage, and the steps you will follow in buying a house.

4. Prepare a chart for use in class that describes 1) how to establish goals and needs before the purchase of a home, 2) how to obtain a mortgage, and 3) the steps taken in the purchase of a home.

CONSUMER EDUCATION

Home

The student will be able to interpret and evaluate the terms of lease or rental as stated in a standard lease/rental agreement.

CE - 9

Pre-test: #1

Post-test: #2 or #4

PERFORMANCE INDICATORS:

1. Explain each of the following terms orally or in writing. Why is it important to have a lease-rental agreement signed before leasing or renting a home?

   1) Security Deposit
   2) Cleaning Charge
   3) Multiple Occupancy
   4) Utilities
   5) Subletting
   6) Entry and Inspection
   7) Default
   8) Acceptance
   9) Tenant's Personal & Credit Information
   10) Term of Occupance

2. Pretend that you are a landlord and explain each of the terms listed in #1 to your new tenant. Your instructor can act as the tenant or observe the explanation.

3. Go to visit a realty company that handles lease-rental agreements or to an owner of apartments or rental houses. Ask him/her to explain the terms listed above in #1 to you, then report back on your findings to your instructor.

4. Explain orally or in writing, how does each of the terms of a lease-rental effect you as the leasee? Why is each important to you? Included in your answer will be a brief explanation or interpretation of each term listed in #1.

CONSUMER EDUCATION

Taxes

CE - 10

Pre-test: #1

Post-test: #2 or #3

The student will be able to fill out the Federal Income Tax form 1040A short form, using hypothetical people and figures.

PERFORMANCE INDICATORS:

1. Fill out the Federal Income Tax form 1040A short form using the information and personal file given to you by your instructor. (File A - See answer section.)

2. Pretend that you are a tax accountant and prepare the form 1040A short form according to the papers and information given to you by your client. Your instructor will give you the "client file." (File B - See answer section.)

3. Fill out the Federal Income Tax form 1040A short form using the information and personal file given to you by your instructor. (File C - See answer section.)

4. Review and correct the completed tax form 1040A short form of another student. Make sure that all information and calculations are correct and all proper forms attached.

CONSUMER EDUCATION

Consumerism

The student will be able to explain 1) what each of the indices below measure, and 2) what the figure tells us about the U.S. economy.

Consumer Price Index	Unemployment Rate
Gross National Product	Farm Productivity
Dow-Jones Industrial Income Average	Domestic Oil Production & Foreign Oil Importation
NYSE Index	Housing Starts and Sales
ASE Index	Automobile Sales

CE - 11

Pre-test: #1

Post-test: #3 and #4

PERFORMANCE INDICATORS:

1. Complete each of the following sentences for each of the items in the competency statement. Do all three sentences for each of the ten items.

   1) The purpose of the (Example: CPI) is to measure _____.

   2) When the figure (amount) rises it means _____.

   3) When the figure (amount) decreases it means _____.

2. Prepare a chart that lists the ten items in the competency statement and 1) tell what each is designed to measure and 2) tell what each figure tells economists about the U.S. economy. Include an example of each.

3. Examine the economic page in the newspapers. Orally with your instructor, explain 1) what each of the indices measures and 2) what the figure tells us about the health of the economy. Use the current figures in your answer.

4. Complete the following chart. List the indices above in the Index column.

INDEX	WHAT DOES IT MEASURE?	WHAT DO FLUCTUATIONS IN THE FIGURE TELL US?		
		Increase	No change	Decrease

CONSUMER EDUCATION

Consumerism

CE - 12

Pre-test: #1

Post-test: #2

The student will be able to list three governmental agencies or consumer organizations that provide help for consumers, describing the activities and functions of each.

PERFORMANCE INDICATORS:

1. Complete the following chart.

List 3 government agencies or consumer organizations that help consumers.	What do they do to help? How do they accomplish their goals?

2. Either orally or in writing, list three government agencies or consumer organizations that help consumers and describe the activities and functions of each.

3. Pretend you are an angry consumer looking for help. List three government agencies or consumer organizations that could help you and explain to your instructor how each could help you.

4. List three agencies or organizations that provide help for consumers. Visit or obtain literature from two of these, then report orally or in writing on your findings, including the groups purpose and activities.

CONSUMER EDUCATION

Consumerism

The student will be able to identify and explain the following advertising practices: 1) false authority 2) "bait and switch" 3) meaningless demonstrations 4) "lost leaders".

CE - 13

Pre-test: #1

Post-test: #2

PERFORMANCE INDICATORS:

1. Identify the advertising practices used in each of the examples that follow, explaining how each works. (Instructor must supply examples of advertising practises which correspond to answer key.)

2. Explain in writing each of the practices listed below, attaching one example of each to your paper. If the example is a television or radio ad, describe the ad.

   1) false authority
   2) meaningless demonstrations
   3) "bait and switch"
   4) "lost leaders"

3. Hold a class discussion on advertising practices. Students are to explain each practice and have each student bring in one example of each type. Active participation and prior preparation is required for credit.

4. Prepare a report to be given orally or in writing in which you discuss common advertising practices (including those listed in the competency statement above). Provide at least one example of each practice in your report.

CONSUMER EDUCATION

Consumerism

CE - 14

Pre-test: #1

Post-test: #4

The student will be able to develop a balanced personal budget considering the following areas:

food	transportation	rent	repairs
clothing	home expenses	medical	entertainment
taxes	savings	utilities	contributions

PERFORMANCE INDICATORS:

1. Set up a balanced personal budget for yourself considering the areas listed in the competency statement. You will have a list of income and another list of expenses. These should be set up in a budget plan.

2. Pretend you are helping a new friend who is moving away from home for the first time. He must set up a budget for himself. Demonstrate how to set up a budget including all the items in the competency statement above.

3. Working in pairs, and acting as roommates, develop a personal balanced budget that includes all the items listed in the competency statement above.

4. Pretend that you are changing jobs and will have a $20.00 per week increase in salary. Prepare a new budget for yourself that takes this increase into account. Your budget must include all the items listed above in the competency statement.

ANSWERS

CE - 1

1. 1) Checking account - purpose is to have money in a safe place, yet readily available to pay bills, make purchases by writing a check. The check also gives the check-writer a permanent record of purchases and bills paid. Checking accounts are used by businesses and individuals to pay bills, make purchases, and keep records.

   2) Savings account - purpose is to keep money in a safe place while accumulating interest is paid by the bank for the priviledge of using the money. Used by individuals and businesses to save money, yet have the money available when needed.

   3) Safe deposit box - purpose is to keep valuables in a safe place. Used by individuals and businesses to hold jewelry, important papers, valuables. Items are available when needed, yet protected by the bank.

   4) Trust account - purpose is to keep money and investments in trust for another person (minor, spouse, etc.). Used to protect money and investments for another person in the event of someone's death.

2. Apply answers in #1.

3. Apply answers in #1.

4. Apply answers in #1.

CE - 2

1. 1) Fair Credit Reporting Act of 1971 - entitles consumers to find out what is in their credit record. It allows them to have incorrect information removed and to add a statement of explanation if there are circumstances that need to be clarified.

   2) Equal Credit Opportunity Act of 1974-1977 - this act makes it illegal for lenders to refuse a person credit based on sex, marital status, race, religion and age

ANSWERS

(if old enough to apply for credit). A lender is also required to give reasons if credit is denied.

3) Credit bureau - a privately owned agency that keeps records of all factors pertinent to a person's credit history (past pay records, banking history, court cases, legal problems, employment, etc.). Businesses become clients of the credit bureau and are able to obtain credit reports for a fee.

4) Consumer Credit Protection Act - a federal act that requires lender to tell buyer exactly what their credit will cost. They must provide a statement of interest charges and any other costs that pertain to the credit transaction.

2. Apply answers in #1.

3. Apply answers in #1.

4. Apply answers in #1.

CE - 3

1. A. 1. 20 of each month
2. $2,960.00
3. $383.92
4. 12%
5. $139.33
6. 24 installments
7. $3,343.92

B. 1. 18%
2. $49.77
3. March 31, 1979
4. $25.00
5. -0-
6. 1%

ANSWERS

C. 1) $86.66 2) 6 3) $500.00 4) $519.96 5) 13.58%

2. Student must explain what each of the terms in the competency statement means, and why it is important to understand the term. Recommended sources are banks, finance companies, and Steven Ludwig, Personal Credit, The Be Informed Series, New Readers Press, 1976.

3 and 4-Apply answers from #2.

CE - 4

AUTO - Available coverage: Liability which pays others for damage that was your fault. Medical payments covers medical costs of injuries sustained in accident. Uninsured motorist protects you and your passengers in case of injuries caused by an uninsured or hit-and-run driver. Collision pays for repair or replacement if your car is damaged in a collision or single car accident regardless of fault. Comprehensive pays for your loss or damage when the cause is something other than collision: theft, fire, vandalism, etc. Towing costs. Wage Loss and Substitute Service. No fault laws in 24 states require companies to offer partial coverage for loss of wages or services due to an auto accident. HEALTH AND DISABILITY - Every member of your family should be covered for major medical expenses, and the upward limits of your policy should reflect today's high health care costs. If your employer doesn't carry disability insurance for you, get your own policy. PROPERTY - Both homeowners and renters need protection against fire, burglary, liability and vandalism. Homeowners should have an up-to-date idea of the approximate replacement value of their homes and furnishings and have policies. LIFE - There are a variety of policies available--term, whole life and countless hybrids. Review yours with the following points in mind: 1) In general, you need the most coverage when your children are young. As they are older and leave home, they're better able to take care of themselves and you can get along with less life insurance. 2) If you have no dependents, a policy large enough to clear up your debts and cover burial expenses is probably sufficient. 3) A lot of families combine term policies with permanent life insurance. The cheapest way to increase your coverage is to buy term. 4) To maintain the level of protection you now have, you must examine policy values periodically in light of inflation. The further ahead you look the less your present policies will be worth to your beneficiaries.

NOTE: Refer to Changing Times, February, 1976.
Consumer Report, December, 1978.

ANSWERS

CE - 5

1. The instructor will have to evaluate the insurance program selected as to 1) coverage selected must meet needs of the situation and 2) types of insurance needed (auto, home, etc.). The student must be able to justify his program and support it with figures and examples. Materials are available from various insurance companies.

2. Same as #1.

3. Same as #1.

4. The amounts and policies will vary but the student must list at least these types of insurance and should be able to justify the amount he gives.

   1) term or straight life insurance for husband

   2) mortgage insurance for the balance owing on the mortgage

   3) health and major medical insurance for entire family

   4) home and liability insurance to cover accidents, fire, theft, etc.

CE - 6

1. 1) FICA (social security tax) - purpose is to support the social security retirement and disability benefit program. Used to pay benefits to retired persons, widows, disabled workers, students in school.

   2) Withholding tax - purpose is to give the federal government a constant source of tax income and make it easier for the individual to handle his tax burden by taking amounts of each paycheck and applying these funds to his tax bill. The employer holds back tax from the employee's check to pay his taxes for the year. The amount withheld is based on the number of dependents and income earned.

3) Union dues - purpose is to pay an employee's union dues. This is a service provided by the employer to the employee. Used by unions to support union activities.

4) Payroll savings plan - purpose is to help the employee to save money from his paycheck by having it automatically substracted. Used by employees to save money and accumulate bonds.

2. Apply #1.

3. Apply #1.

4. Apply #1.

Resources:

Social Security Administration pamphlets—

"What You Have To Know About SSI"
"History of Social Security"

CE - 7

1. The students' answer will vary as they are partly opinion. There should be indication of thought in the answer, and some defense of the answer given. They must include a general description of the various benefits provided under each plan.

2. Apply answer in #1. This is also an opinion question so answers will vary.

3. This assignment asks the student to do some interviewing and some summarizing. It will be up to the instructor to judge the answers given. The conclusion should provide the student's own thoughts and evaluation of employment benefits, the pros and cons.

4. Answers will vary; however, the student should be able to

ANSWERS

cite good reasons for being in favor of increased benefits rather than increased wages. They should include: tax benefits, hedge against inflation, etc.

CE - 8

1) The student must list at least the following considerations in establishing needs and goals: reason for buying (investment, starter home, etc.), size of family at present and in future, income, length of time planning to stay in home and neighborhood/location/schools.

2) A loan package such as you would receive upon applying for a loan or to pre-qualify should be secured for classroom use. Buyer should pre-qualify with a lender before looking for a home.

3) The steps taken are: establish goals and needs, pre-qualify with a lender, find property (includes inspection), settle price and other concerns, obtain financing, open and close escrow, transfer or Deed.

2. Summary should include the basic answers from #1, plus more specific information provided in the talk or visit.

3. Instructor will observe the students and grade the assignment based on answer in #1.

4. Chart should include information in #1.

CE - 9

1. Student whould be able to explain what each term means and tell why the agreement is important. They must know that it is for protection of both the tenant and the landlord. All terms are stated and the agreement is signed to prevent future problems with the agreement.

Secure a lease-rental agreement for classroom use.

ANSWERS

2. Apply #1.

3. Student should include a brief explanation of each term plus additional information obtained on the visit.

4. Apply #1 with additional evaluation on why it is important to know the terms and your rights as a tenant.

CE - 10

1. Tax forms must be correctly filled out according to directions in tax booklet accompanying the 1040A short form. See attached. Answer sheet A.

2. Same as #1. Answer sheet B.

3. Same as #1. Answer sheet C.

4. Same as #1. Use one of the files above - A, B, or C.

Note: All answer sheets are keyed to the 1978 Tax Information Booklet. Instructors may choose to update these files and tax forms for succeeding years.

CE - 11

1. Apply the following chart to all indicators.

INDEX	WHAT DOES IT MEASURE?	INCREASE	DECREASE
CPI	measures retail prices, tells how much the dollar buys	inflation rising	inflation decreasing
Dow-Jones	measures the average income of stocks exchanged	healthy stock market	slowdown in stock market
NYSE	New York Stock Exchange index measures shares traded, those unchanged & total volume	healthy stock market	slowdown in the market

ANSWERS

INDEX	WHAT DOES IT MEASURE?	INCREASE	DECREASE
ASE	American Stock Exchange same as NYSE	healthy stock market	slowdown in the market
Unemployment rate	measures # of unemployed workers monthly - based on categories of unemployed	slowdown in business, thus fewer jobs	prosperity - more jobs available
Farm Productivity	amount of crops, and products produced by the farmers - amount determines prices and prosperity or hard times for the agricultural community	lower prices for food, good income for the farmer	rise in food prices, hard times for the farmer
Oil production & importation	domestic oil production tells us how much oil we are producing thus determining the price we pay for oil, and the availability; the same is true for foreign oil importation, the cost of energy is all-important in establishing all other prices, the rate of inflation, etc.	lower prices, greater availability increased price due to cost to import, greater trade debt to foreign countries, means dependence on oil	higher prices less dependence on foreign countries, better for U.S. economy
Housing starts	measures the number of new homes under construction	means higher employment in all realted fields, increased business	Slowdown in all fields related, tight housing market
Auto Sales	measures the sales of new and used cars	prosperity - increased spending by consumers - increased credit; confidence in economy	slowdown in spending may indicate failing economy - No confidence

ANSWERS

2. Chart should include at least the answers provided in #1, plus an example of each. These can come from news magazines, newspapers, T.V. or radio reports.

3. Apply answers in #1.

4. Apply answers in #1.

C - 12

1. Better Business Bureau - Deals directly with the consumer and the business involved. Keeps files of all complaints, problems, etc. Information on businesses is available to consumers.

   Consumer Protection Agency-District Attorney's Office - legal means to solve consumer problems, particularly those that require court action or legal enforcement; Consumer fraud is taken care of through this office.

   Consumer Affairs-State of Nevada - Deals in all phases of consumer protection, setting state policy, law enforcement, legal action.

2. Apply answers above.

3. Apply answers above.

4. Student should be able to obtain information from at least two of the agencies listed. The report should provide more detail and example than is listed above.

   Additional information is available from the offices listed above. The Federal Trade Commission can also supply pamphlets on consumer action.

   Federal Trade Commission
   Los Angeles Regional Office
   11000 Wilshire Boulevard
   Los Angeles, California 90024

ANSWERS

C - 13

1. 1) false authority - someone pretending to be an expert makes claim about the quality of a product in an advertisement.

   2) "bait and switch" - store advertises one item inexpensively, then promotes a different, more expensive model when the customer arrives.

   3) meaningless demonstration - demonstration in an advertisement in which the advertiser does not show the entire picture thus being misleading to the consumer.

   4) "lost leaders" - a store advertises one or more items at super low prices in order to lure customers to the store, hoping that they will buy other regularly marked items.

   Example A is meaningless demonstration.

   Example B is "bait and switch".

   Example C is "lost leaders."

   Example D is false authority.

2. Apply answers above. Instructor will need to judge examples.

3. Same as #2.

4. Same as #2.

C - 14

1. The instructor will need to evaluate the budget to see if 1) income matches or exceeds expenditures, 2) expenses for items are correct for area and situation, 3) budget was carefully planned and thought out.

2. Apply #1.

3. Apply #1.

4. Apply #1.

Loan Proceeds . . . . . $ 2,960.00

Credit Insurance . . . . . $ none

Other Charges (ITEMIZED) . $ none

Amount Financed . . . . . $ 2,960.00

FINANCE CHARGE . $ 383.92

VEHICLE SECURITY AGREEMENT AND NOTE

C - 3 (A)

No. _____

ANNUAL PERCENTAGE RATE ____%

Total of Payments . . . . . $ 3,343.92 Reno, Nevada, March 13, 19 79

For value received, I promise to pay in lawful money of the United States of America to the order of First National Bank of Nevada at its Keystone Branch in this city the principal sum of Thirty three hundred forty three Dollars on demand, if no demand is made then in 24 installments as follows: One hundred thirty nine and 33/100 Dollars ($ 139.33) of more on the 20 day of April, 19 79, and One hundred thirty nine and 33/100 ------- Dollars ($ 139.33) or more on the 20 day of each and every month thereafter until the 20 day of March, 19 81. on which said date the entire balance of principal then unpaid shall become due and payable. Any unpaid balance may be paid, at any time, without penalty and any unearned finance charge and credit insurance premium will be refunded based on the "Rule of 78's".

If default be made in the payment when due of any part or installment of principal or interest, or in the event any act by or against the undersigned is deemed by the Bank in good faith to impair the prospect of payment, then the whole sum of principal and interest shall become immediately due and payable at the option of the holder of this note, without notice.

In the event that I shall fail to make any payment herein provided for, at the time when the same becomes due under the provisions hereof, and said payment shall become overdue for a period in excess of 10 days, I promise to pay a "Late Charge" of five cents (5¢) for each dollar so overdue, but not less than two dollars ($2.00) and not to exceed five dollars ($5.00).

In addition thereto I promise to pay reasonable attorney's fees and costs incurred in the collection of this note or any part hereof without suit, or in the event of suit such additional sum as attorneys' fees as the court may adjudge reasonable. For the purpose of attachment or levy of execution, this note shall be payable wherever I may be situated, at the option of the holder.

This note is secured by a Security Agreement of even date. *Insured must sign on Line 1.

ADDRESS _____ 1. _____ DEBTOR

ADDRESS _____ 2. _____ DEBTOR

SECURITY AGREEMENT

This AGREEMENT, made this 13th day of March, 19 79 by _____

of Reno, County of Washoe, State of Nevada, hereinafter designated as DEBTOR, to First National Bank of Nevada, Reno, Nevada, having its principal place of business in the City of Reno, County of Washoe, State of Nevada, hereinafter designated as SECURED PARTY.

WITNESSETH: Debtor hereby transfers and conveys to Secured Party a security interest in that certain vehicle described as follows:

Year	New or Used	Make Trade Name	No. Cyl.	Equipment: Std. Sports, Deluxe, Etc.	Type of Body	Key Number	Manufacturer's Serial Number
1977	Used	GMC	8	Pickup	1/2 ton		TKL147Z502324

now and to be permanently located in the City of Reno, County of Washoe, State of Nevada, together with all equipment, parts, appliances and appurtenances now or hereafter to be placed thereon, all of which shall become a component part thereof and included under the terms of this agreement, as security for the payment by Debtor of a promissory note hereinafter referred to as note in the original amount of Thirty three hundred forty three & 92/100 ---- Dollars ($ 3,343.92), dated the 13 day of March, 19 79, in accordance with its terms and executed by Debtor and payable to Secured Party, and for the payment of any other sum now, or hereafter owing from Debtor to Secured Party; provided, however, that the maximum amount to be secured hereby and remaining unpaid at any one time shall not exceed twice the original amount of the note above described. The Debtor hereby promises to pay said note and all other money obligations according to their tenor, and to perform all agreements as in said note and hereinafter in this agreement stated, according to their terms, all payments to be made in lawful money of the United States of America.

Each person signing this agreement, other than the bank, is a debtor; and the obligations of all debtors are joint and several.

Debtor incorporates and acknowledges the terms and conditions on the reverse side hereof as a part of this agreement.

C - 3 (A)

NOTE

US $ 50,000.00 Reno, Nevada
City
March 13, 19 79

FOR VALUE RECEIVED, the undersigned ("Borrower") promise(s) to pay First National Bank of Nevada, Reno, Nevada, or order, the principal sum of Fifty thousand and no/100 Dollars, with interest on the unpaid principal balance from the date of this Note, until paid, at the rate of 10.625 percent per annum. Principal and interest shall be payable at First National Bank of Nevada, 401 Keystone Ave. Reno, Nevada or such other place as the Note holder may designate, in consecutive monthly installments of Four hundred sixty four and 31/100 Dollars (US $ 464.31), on the first day of each month beginning May 1, 19 79. Such monthly installments shall continue until the entire indebtedness evidenced by this Note is fully paid, except that any remaining indebtedness, if not sooner paid, shall be due and payable on April 1, 2008.

If any monthly installment under this Note is not paid when due and remains unpaid after a date specified by a notice to Borrower, the entire principal amount outstanding and accrued interest thereon shall at once become due and payable at the option of the Note holder. The date specified shall not be less than thirty days from the date such notice is mailed. The Note holder may exercise this option to accelerate during any default by Borrower regardless of any prior forbearance. If suit is brought to collect this Note, the Note holder shall be entitled to collect all reasonable costs and expenses of suit, including, but not limited to, reasonable attorney's fees.

Borrower shall pay to the Note holder a late charge of four percent of any monthly installment not received by the Note holder within fifteen days after the installment is due.

Borrower may prepay the principal amount outstanding in whole or in part. The Note holder may require that any partial prepayments (i) be made on the date monthly installments are due and (ii) be in the amount of that part of one or more monthly installments which would be applicable to principal. Any partial prepayment shall be applied against the principal amount outstanding and shall not postpone the due date of any subsequent monthly installments or change the amount of such installments, unless the Note holder shall otherwise agree in writing. If, within five years from the date of this Note, Borrower make(s) any prepayments in any twelve month period beginning with the date of this Note or anniversary dates thereof ("loan year") with money lent to Borrower by a lender other than the Note holder, Borrower shall pay the Note holder (a) during each of the first three loan years 5.31 percent of the amount by which the sum of prepayments made in any such loan year exceeds twenty percent of the original principal amount of this Note and (b) during the fourth and fifth loan years 3.00 percent of the amount by which the sum of prepayments made in any such loan year exceeds twenty percent of the original principal amount of this Note.

Presentment, notice of dishonor, and protest are hereby waived by all makers, sureties, guarantors and endorsers hereof. This Note shall be the joint and several obligation of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their successors and assigns.

Any notice to Borrower provided for in this Note shall be given by mailing such notice by certified mail addressed to Borrower at the Property Address stated below, or to such other address as Borrower may designate by notice to the Note holder. Any notice to the Note holder shall be given by mailing such notice by certified mail, return receipt requested, to the Note holder at the address stated in the first paragraph of this Note, or at such other address as may have been designated by notice to Borrower.

The indebtedness evidenced by this Note is secured by a Deed of Trust, dated ....., and reference is made to the Deed of Trust for rights as to acceleration of the indebtedness evidenced by this Note.

.....

.....

.....

Property Address

(Execute Original Only)

SWELL OIL COMPANY

Keep This Part

Billing Date
April 25, 1979

Credit Card Number
23040690

1. Previous Balance -0-	Payment Dates and Amounts
2. Credits -0- Payments -0-	
3. Current Charges -0-	
4. Finance Charge -0-	
5. Total Amount Due $49.77	Minimum Due $25.00

Amount Must Be Received By March 31, 1979

Schedule of Finance Charge

Avg. Daily Balance	Period Rate Per Month	Annual % Rate
To $400	1/2%	18%
Over $400	1%	12%

SWELL CREDIT CARD STATEMENT

John Doe
1122 Valley Dr.
Your City, Nevada 11223

Indicate Name Or Address Change Above

15133 23040690 90001 000000

Return This Part With Payment

Payment Is Due Upon

Payment Received After 10:00 AM May Be Applied The Following Business Day

Indicate Amount Enclosed

$

Please Include Your Credit Card Number When Communicating

C - 3 B. Credit Card Statement

C - 3 (C)

Loan Proceeds . . . . . $ 500.00

Credit Insurance . . . . . $ none

Other Charges (ITEMIZED) $ none

Amount Financed . . . . . $ 500.00

FINANCE CHARGE $ 19.96

INSTALMENT CREDIT PLAN NOTE

No. 012-90-16429

ANNUAL PERCENTAGE RATE 13.58 %

Total of Payments . . . . . $ 519.96

Reno, Nevada March 13, 19 79

For value received I promise to pay in lawful money of the United States of America to the order of

FIRST NATIONAL BANK OF NEVADA RENO, NEVADA at its Keystone Branch in this city

the total of payments of Five hundred nineteen and 96/100 ---------- Dollars,

on demand; if no demand is made then in 6 instalments as follows: Eighty six and 66/100 ----------

Dollars ($ 86.66) or more on the 20 day of April, 19 79, and

Eighty six and 66/100 ---------- Dollars ($ 86.66) or more on the

20 day of each and every month thereafter until

the 20 day of September, 19 79

on which said date the entire balance then unpaid shall become due and payable. Any unpaid balance may be paid, at any time, without penalty and any unearned finance charge and credit insurance premium will be refunded based on the "Rule of 78's". Refunds of less than $1.00 need not be made.

If default be made in the payment when due of any part of said indebtedness, then the whole sum unpaid including earned finance charge shall become immediatley due and payable at the option of the holder of this note, without notice.

In the event that I shall fail to make any payment herein provided for, at the time when the same becomes due under the provisions hereof, and said payment shall become overdue for a period in excess of 10 days, I promise to pay a "Late Charge" of five cents (5¢) for each dollar so overdue, but not less than Two Dollars ($2.00) and not to exceed Five Dollars ($5.00).

In addition thereto I promise to pay reasonable attorney's fees and costs incurred in the collection of this note or any part hereof without suit, or in the event of suit such additional sum as attorney's fees as the court may adjudge reasonable. For the purpose of attachment or levy of execution this note shall be payable wherever I may be situated, at the option of the holder.

A _____ of even date secures the indebtedness evidenced by this Note. Additional security may be 1) a security interest in personal property securing other indebtedness to Bank. 2) a Banker's lien on property of debtor in possession of Bank.

Bank may delay enforcing any of its rights under this note without loss thereof.

LIFE AND DISABILITY INSURANCE – The purchase of SINGLE LIFE (SL) OR JOINT LIFE (JL); SINGLE LIFE AND SINGLE DISABILITY (SL & SD) OR JOINT LIFE AND SINGLE DISABILITY (JL & SD) is voluntary and not required for credit.

I desire (Check which): ☐ SL $ _____

☐ SD $ _____

☐ JL $ _____

at a total cost of $ none for the term of the credit.

Disability (SD) insurance (if any) is available only to the person signing as insured. Insured (SL & SD) must sign on Line 1.

Signed 1 _____ Date _____, 19 ___
INSURED

Signed 2 _____ Date _____, 19 ___
Co-Insured (if Joint Life is requested)

If Credit Insurance is to be placed, the person to be insured must sign on Line 1.

1. _____
DEBTOR

2. _____
DEBTOR

_____
ADDRESS

_____
CO-MAKER

_____
CO-MAKER

_____
ADDRESS

Receipt of disclosure statement is hereby acknowledged.

ICL-5 (8-78)

C - 10 CLIENT FILE A

TAX FILE A: Use 1978 tax tables in IRS booklet.

Robert J. and Mary L. Smith live at 885 Scott St., Hometown, Maryland, 01234. John's Social Security number is 516-04-1492 and Mary's is 575-10-1776. John is a clerk at a local grocery store and Mary is not employed outside the home. They are filing a joint return and both have chosen to designate $1 to the Presidential campaign fund. The Smith's have 2 children - 8 year old James, and 5 year old Kathy. This is a copy of John Smith's W-2 form from his employer.

Wage and Tax Statement 1978

Type or print EMPLOYER'S name, address, ZIP code, and Federal identifying number				
→ 82-056-4908 Valley View Market Hometown, Maryland			Copy 1 For State City or Local Tax Dept	
			82-056-4908 Employer's State identifying number	
Employee's social security number	Federal income tax withheld	Wages, tips, and other compensation	FICA employee tax withheld	Total FICA wages
516-04-1492	100.00	7,400.00	245.00	
Robert Smith 885 Scott St. Hometown, Maryland 01234		Pension plan coverage? Yes/No NO		
		State or local tax withheld NONE	State or local wages	State or locality
Type or print EMPLOYEE'S name, address, and ZIP code above.		State or local tax withheld NONE	State or local wages	State or locality

Employee's and employer's copy compared ☐

The Smiths also earned $50.00 interest income from his savings account, and dividend incomes from some stocks he owns. He earned dividends of $260.00 less an exclusion of $160.00.

John Smith is eligible for an Earned Income Credit

A

Form **1040A** Department of the Treasury—Internal Revenue Service **U.S. Individual Income Tax Return** **1978**

Use IRS label. Otherwise, please print or type.	Your first name and initial (if joint return, also give spouse's name and initial)	Last name	Your social security number
	Robert J. and Mary L.	Smith	516 04 1492
	Present home address (Number and street, including apartment number, or rural route)		Spouse's social security no.
	885 Scott Street		575 10 1776
	City, town or post office, State and ZIP code		Your occupation
	Hometown, Maryland 01234		Clerk

Do you want $1 to go to the Presidential Election Campaign Fund? X Yes ___ No
If joint return, does your spouse want $1 to go to this fund? X Yes ___ No

Note: Checking Yes will not increase your tax or reduce your refund.

Spouse's occupation: Homemaker

Filing Status Check Only One Box

1 ___ Single
2 X Married filing joint return (even if only one had income)
3 ___ Married filing separate return. If spouse is also filing, give spouse's social security number in the space above and enter full name here ▶
4 ___ Unmarried head of household. Enter qualifying name ▶

For Privacy Act Notice, see page 5 of Instructions. See page 11 of Instructions.

Exemptions

Always check the box labeled Yourself. Check other boxes if they apply.

5a X Yourself ___ 65 or over ___ Blind
b X Spouse ___ 65 or over ___ Blind
c First names of your dependent children who lived with you ▶ James, Kathy

Enter number of boxes checked on 5a and b ▶ 2
Enter number of children listed ▶ 2

d Other dependents:

(1) Name	(2) Relationship	(3) Number of months lived in your home.	(4) Did dependent have income of $750 or more?	(5) Did you provide more than one-half of dependent's support?

Enter number of other dependents ▶

6 Total number of exemptions claimed . . . . . Add numbers entered in boxes above ▶ 4

Please Attach Copy B of Forms W-2 Here

7	Wages, salaries, tips, and other employee compensation. *(Attach Forms W-2. If you do not have a W-2, see page 7 of Instructions)*	7	7,400 00
8	Interest income *(see page 4 of Instructions)*	8	50 00
9a	Dividends 260 00 — 9b Exclusion 160 00 — Subtract line 9b from 9a ▶	9c	100 00
	(See pages 4 and 8 of Instructions)		
10	Adjusted gross income *(add lines 7, 8, and 9c). If under $8,000, see page 2 of Instructions on "Earned Income Credit."* If eligible, enter child's name ▶ James	10	7,550 00
11a	Credit for contributions to candidates for public office. *Enter one-half of amount paid but do not enter more than $25 ($50 if joint return). (See page 8 of Instructions)*	11a	
	IF YOU WANT IRS TO FIGURE YOUR TAX, PLEASE STOP HERE AND SIGN BELOW.		
b	Total Federal income tax withheld *(if line 7 is larger than $17,700, see page 8 of Instructions)*	11b	100 00
c	Earned income credit *(from page 2 of Instructions)*	11c	50 00
12	Total *(add lines 11a, b, and c)*	12	150 00
13	Tax on the amount on line 10. *(See Instructions for line 13 on page 9, then find your tax in the Tax Tables on pages 14–25.)*	13	56 00
14	If line 12 is larger than line 13, enter amount to be **REFUNDED TO YOU** ▶	14	94 00
15	If line 13 is larger than line 12, enter **BALANCE DUE.** Attach check or money order for full amount payable to "Internal Revenue Service." Write social security number on check or money order ▶	15	

Please Attach Check or Money Order Here

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature Date ▶ Spouse's signature (if filing jointly, BOTH must sign even if only one had income)

Paid Preparer's Information

Preparer's signature ▶ Preparer's social security no. Check if self-employed ▶ ☐

Firm's name (or yours, if self-employed), address and ZIP code ▶ E.I. No. ▶ Date ▶

☆ U.S. GOVERNMENT PRINTING OFFICE : 1978—0-263-064—80-0220-906

C - 10 CLIENT FILE B

TAX FILE B: Use 1978 tax tables in IRS booklet.

Tom P. Scott lives at 2000 9th St., Your City, Montana, 75025. His Social Security number is 520-38-2102. He is single, a carpenter and chooses not to designate $1 to the Presidential campaign fund.

Wage and Tax Statement 1978

Type or print EMPLOYER'S name, address, ZIP code, and Federal identifying number				
→ 83-907-9965 Carpenter's Cabinetry Shop 766 Lost Creek Avenue → Your City, Montana			Copy 1 For State, City, or Local Tax Dept 83-907-9965 Employer's State identifying number	
Employee's social security number	Federal income tax withheld	Wages, tips, and other compensation	FICA employee tax withheld	Total FICA wages
520-38-2102	1,600.00	18,600.00	580.00	
Tom Scott 2000 9th St. Your City, Montana 75025		Pension plan coverage? Yes/No NO		
		State or local tax withheld NONE	State or local wages	State or locality
		State or local tax withheld NONE	State or local wages	State or locality
Type or print EMPLOYEE'S name, address, and ZIP code above.				

Employee's and employer's copy compared ☐

Tom Scott earned interest income from his savings account of $200.00 He does not have any dividend income to declare.

B

Form **1040A** Department of the Treasury—Internal Revenue Service **U.S. Individual Income Tax Return** **1978**

Use IRS label. Otherwise, please print or type.	Your first name and initial (if joint return, also give spouse's name and initial)	Last name	Your social security number
	Tom P.	Scott	520 38 2101
	Present home address (Number and street, including apartment number, or rural route)		Spouse's social security no.
	2000 9th Street		
	City, town or post office, State and ZIP code		Your occupation
	Your City, Montana 75025		Carpenter

Do you want $1 to go to the Presidential Election Campaign Fund? Yes [ ] No [X] — Note: Checking Yes will not increase your tax or reduce your refund. Spouse's occupation

If joint return, does your spouse want $1 to go to this fund? Yes [ ] No [ ]

Filing Status — Check Only One Box

1 [X] Single — For Privacy Act Notice, see page 5 of Instructions

2 [ ] Married filing joint return (even if only one had income)

3 [ ] Married filing separate return. If spouse is also filing, give spouse's social security number in the space above and enter full name here ▶

4 [ ] Unmarried head of household. Enter qualifying name ▶ . See page 11 of Instructions.

Exemptions

Always check the box labeled Yourself. Check other boxes if they apply.

5a [ ] Yourself [ ] 65 or over [ ] Blind

b [ ] Spouse [ ] 65 or over [ ] Blind

Enter number of boxes checked on 5a and b ▶ 1

c First names of your dependent children who lived with you ▶ — Enter number of children listed ▶

d Other dependents: (1) Name	(2) Relationship	(3) Number of months lived in your home.	(4) Did dependent have income of $750 or more?	(5) Did you provide more than one-half of dependent's support?

Enter number of other dependents ▶

6 Total number of exemptions claimed . . . . . Add numbers entered in boxes above ▶ 1

Please Attach Copy B of Forms W-2 Here

7	Wages, salaries, tips, and other employee compensation. (Attach Forms W-2. If you do not have a W-2, see page 7 of Instructions)	7	18,600 00
8	Interest income (see page 4 of Instructions)	8	200 00
9a	Dividends ... 9b Exclusion ... Subtract line 9b from 9a ▶ (See pages 4 and 8 of Instructions)	9c	
10	Adjusted gross income (add lines 7, 8, and 9c). If under $8,000, see page 2 of Instructions on "Earned Income Credit." If eligible, enter child's name ▶	10	18,800 00
11a	Credit for contributions to candidates for public office. Enter one-half of amount paid but do not enter more than $25 ($50 if joint return). (See page 8 of Instructions) . . . 11a		
	IF YOU WANT IRS TO FIGURE YOUR TAX, PLEASE STOP HERE AND SIGN BELOW.		
b	Total Federal income tax withheld (if line 7 is larger than $17,700, see page 8 of Instructions) . . . 11b 1,600 00		
c	Earned income credit (from page 2 of Instructions) 11c		
12	Total (add lines 11a, b, and c)	12	1,600 00
13	Tax on the amount on line 10. (See Instructions for line 13 on page 9, then find your tax in the Tax Tables on pages 14–25.)	13	3,611 00
14	If line 12 is larger than line 13, enter amount to be **REFUNDED TO YOU** ▶	14	2,011 00
15	If line 13 is larger than line 12, enter **BALANCE DUE.** Attach check or money order for full amount payable to "Internal Revenue Service." Write social security number on check or money order ▶	15	

Please Attach Check or Money Order Here

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature Date ▶ Spouse's signature (if filing jointly, BOTH must sign even if only one had income)

Paid Preparer's Information

Preparer's signature ▶ Preparer's social security no. Check if self-employed ▶ [ ]

Firm's name (or yours, if self-employed), address and ZIP code ▶ E.I. No. ▶ Date ▶

☆ U.S. GOVERNMENT PRINTING OFFICE : 1978—O-263-064—80-0220-906

C - 10 CLIENT FILE C

TAX FILE C: Use 1978 tax tables in IRS booklet.

Mrs. Sandra K. Dow lives at 555 West St., Hometown, New York, 00240. Her Social Security number is 582-31-2004 and she is employed as a secretary in a law firm. She has decided to designate $1 to the Presidential election campaign fund. She is single and has 3 children. Cindy, John and Mark. She is sole support of the family.

Wage and Tax Statement 1978

Type or print EMPLOYER'S name, address, ZIP code, and Federal identifying number				
→ 90-889-4668 Smith, Hill, & Jones, INC. 668 Webster Way → Hometown, New York			Copy 1 For State, City, or Local Tax Dept. 90-889-4668 Employer's State identifying number	
Employee's social security number	Federal income tax withheld	Wages, tips, and other compensation	FICA employee tax withheld	Total FICA wages
582-31-2004	800.00	14,000.00	405.00	
Sandra Doe 555 West St. Hometown, New York 00240		Pension plan coverage? Yes/No NO		
		State or local tax withheld NONE	State or local wages	State or locality
Type or print EMPLOYEE'S name, address, and ZIP code above.		State or local tax withheld NONE	State or local wages	State or locality

Employee's and employer's copy compared ☐

She earned income of $350.00 from her savings account, and dividends from stocks were $280.00 less exclusion of $180.00.

Mrs. Dow is active in local politics and contributed $100.00 to a candidate for senator last year.

Form **1040A** Department of the Treasury—Internal Revenue Service **U.S. Individual Income Tax Return** **1978**

C

Use IRS label. Otherwise, please print or type.

Your first name and initial (if joint return, also give spouse's name and initial): Sandra K.

Last name: Doe

Your social security number: 582 31 2004

Present home address (Number and street, including apartment number, or rural route): 555 West Street

Spouse's social security no.:

City, town or post office, State and ZIP code: Hometown, Maryland 00240

Your occupation: Secretary

Do you want $1 to go to the Presidential Election Campaign Fund? X Yes ___ No

If joint return, does your spouse want $1 to go to this fund? ___ Yes ___ No

Note: Checking Yes will not increase your tax or reduce your refund.

Spouse's occupation:

Filing Status Check Only One Box

For Privacy Act Notice, see page 5 of Instructions

1 ___ Single

2 ___ Married filing joint return (even if only one had income)

3 ___ Married filing separate return. If spouse is also filing, give spouse's social security number in the space above and enter full name here ▶

4 X Unmarried head of household. Enter qualifying name ▶ Susan . See page 11 of Instructions.

Exemptions

Always check the box labeled Yourself. Check other boxes if they apply.

5a ___ Yourself ___ 65 or over ___ Blind

b ___ Spouse ___ 65 or over ___ Blind

Enter number of boxes checked on 5a and b ▶ 1

c First names of your dependent children who lived with you ▶ Cyndy, John, Mark

Enter number of children listed ▶ 3

d Other dependents:

(1) Name	(2) Relationship	(3) Number of months lived in your home.	(4) Did dependent have income of $750 or more?	(5) Did you provide more than one-half of dependent's support?

Enter number of other dependents ▶

6 Total number of exemptions claimed . . . . . Add numbers entered in boxes above ▶ 4

Please Attach Copy B of Forms W-2 Here

7	Wages, salaries, tips, and other employee compensation. (Attach Forms W-2. If you do not have a W-2, see page 7 of Instructions)		7 14,000 00
8	Interest income (see page 4 of Instructions)		8 350 00
9a	Dividends 280 00	9b Exclusion 180 00	Subtract line 9b from 9a ▶ 9c 100 00
	(See pages 4 and 8 of Instructions)		
10	Adjusted gross income (add lines 7, 8, and 9c). If under $8,000, see page 2 of Instructions on "Earned Income Credit." If eligible, enter child's name ▶		10 14,450 00
11a	Credit for contributions to candidates for public office. Enter one-half of amount paid but do not enter more than $25 ($50 if joint return). (See page 8 of Instructions)	11a 25 00 / 100 00	
	IF YOU WANT IRS TO FIGURE YOUR TAX, PLEASE STOP HERE AND SIGN BELOW.		
b	Total Federal income tax withheld (if line 7 is larger than $17,700, see page 8 of Instructions)	11b 800 00	
c	Earned income credit (from page 2 of Instructions)	11c	
12	Total (add lines 11a, b, and c)		12 825 00
13	Tax on the amount on line 10. (See Instructions for line 13 on page 9, then find your tax in the Tax Tables on pages 14–25.)		13 1,593 00
14	If line 12 is larger than line 13, enter amount to be **REFUNDED TO YOU** ▶		14
15	If line 13 is larger than line 12, enter **BALANCE DUE.** Attach check or money order for full amount payable to "Internal Revenue Service." Write social security number on check or money order ▶		15 768 00

Please Attach Check or Money Order Here

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature Date

▶ Spouse's signature (if filing jointly, BOTH must sign even if only one had income)

Paid Preparer's Information

Preparer's signature ▶ Preparer's social security no. Check if self-employed ▶ ☐

Firm's name (or yours, if self-employed), address and ZIP code ▶ E.I. No. ▶

Date ▶

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